

OGC Has Reviewed

OF M I

Inspector General

19 OCT 1970

General Counsel

15 OCT 1970

Deputy Director for Support

04 NOV 1970

Executive Director-Comptroller

Director of Personnel

Colonel White:

Although its inclusion or exclusion does not affect the substance of the selection out regulation, we held this paper pending a decision on the OGC recommended rescission of [] which is mentioned in []. It is now agreed that [] (regulations under EO 10450) will be rescinded. We have, therefore, lined it out in the attached draft.

15/ JWC
John W. Coffey

Director of Personnel

22 OCT 1970

A-DD/S:JWC:es (5 Nov 70)

Distribution:

Orig - Adse w/orig & 6 cys of DD/S 70-4339

1 - DD/S subject w/cy of DD/S 70-4339

1 - DD/S chrono

DD/S 70-4339: Memo dtd 22 Oct 70 to ExDir-Compt fm D/Pers, subj: Regulatory Changes and Procedures for Selection-Out

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM					
UNCLASSIFIED		CONFIDENTIAL		SECRET	
OFFICIAL ROUTING SLIP					
TO	NAME AND ADDRESS		DATE		INITIALS
1	Deputy Director for Support				
2					
3					
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ACTION		DIRECT REPLY		PREPARE REPLY	
APPROVAL		DISPATCH		RECOMMENDATION	
COMMENT		FILE		RETURN	
CONCURRENCE		INFORMATION		SIGNATURE	
Remarks:					
FOLD HERE TO RETURN TO SENDER					
FROM: NAME, ADDRESS AND PHONE NO.				DATE	
Director of Personnel, [redacted]				22 OCT 1970	
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FORM NO. 237 Use previous editions
1-67

(40)

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22 OCT 1970

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Regulatory Changes and Procedures for Selection-Out

1. This memorandum recommends action in paragraph 5.

2. Pursuant to your instructions at the 15 September Deputies Meeting, [] has been amended to incorporate Selection-Out as a basis for involuntary separation. A copy of the amended version ready for publication is attached at Tab A.

3. Attached at Tab B is the procedure developed for identifying and notifying Clandestine Service officers who may be recommended for separation under the Selection-Out provisions of []

4. Tab A and Tab B have been reviewed and concurred in by the General Counsel, the Inspector General, and the Director of Personnel.

5. It is recommended that you approve:

a. Tab B procedures for use within the Clandestine Service.

b. Publication of the amended version of []

/s/ Robert S. Wattles

Robert S. Wattles
Director of Personnel

Atts: 2

Concur:

s/ Lawrence R. Houston

General Counsel

28 OCT 1970

Date

/s/ Gordon M. Stewart

Inspector General

26 OCT 1970

Date

/s/ John W. Conner

Deputy Director for Support

04 NOV 1970

Date

1
Excluded from automatic
downgrading and
declassification

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SUBJECT: Regulatory Changes and Procedures for Selection-Out

Concur:

SIGNAL

17 NOV 1970

Deputy Director for Plans

Date

Concur in paragraph 5. b. only:

/s/ R. J. Smith

Deputy Director for Intelligence

27 NOV 1970

Date

Deputy Director for Science and Technology

1 DEC 1970

Date

The recommendation contained in paragraph 5 is approved:

/s/ L. K. White

Executive Director-Comptroller

10 DEC 1970

Date

Distribution:

- Orig - Return to D/Pers
- 1 - ExDir-Compt
- 1 - ER
- 1 - General Counsel
- 1 - Inspector General
- 1 - DD/Pers/P&C
- 2 - DD/S
- 1 - D/Pers Subject
- 1 - D/Pers Chrono

OD/Pers kes (21 October 1970)

Next 1 Page(s) In Document Exempt

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PERSONNEL

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28. INVOLUNTARY SEPARATIONS

- a. SCOPE. The provisions of this paragraph apply to all cases involving the proposed involuntary separation of staff employees and staff agents from the Agency, in accordance with the policies set forth in paragraph c below, except cases specifically within the scope of [] Involuntary separations fall into two broad categories as follows:
- (1) All those situations leading to a determination by the Agency of unsuitability of the employee such as failure to meet the work and efficiency requirements of the Agency, failure during the initial twelve-month trial period to demonstrate the qualifications required for regular assignment, failure of a Career-Provisional Employee to meet career employment standards at the completion of the provisional period, failure to meet Agency security standards, inability to meet Agency medical standards, abandonment of position, insubordination, inattention to duty, poor attendance, misuse of official funds, a criminal act, personal misconduct, or other evidence of unsuitability.
- (2) Those situations where the separation is made for the benefit of the Agency without involving unsuitability of the employee concerned, such as in d(6) and (7) below.

- b. STATUTORY AUTHORITY OF THE DIRECTOR OF CENTRAL INTELLIGENCE. (No change.)

OP/RS: (25 September 1970)

GROUP 1

SECRET**PERSONNEL**

25X1

c. POLICY. (No change.)

formerly
e.

d. CRITERIA

(1) through (5) (No change.)

NEW

(6) SELECTION OUT. It is the policy of the Agency to improve the over-all level of employee performance by terminating, if necessary, the employment of those employees whose value to the Agency, based on a finding that their qualifications and potential are low in comparison with those of other employees of the same grade and occupational category even though the records of such employees do not warrant their separation under the criteria specified in (1) through (5) above.

formerly
(6)

(7) OTHER. In addition to (1) through ~~(5)~~ (6) above, employees may be terminated upon a finding by the Director of Central Intelligence that such termination is necessary and advisable in the interest of the Agency or for such other reasons as the Director may find will advance the efficiency of the Agency.

formerly
d.

e. RESPONSIBILITIES

(1) through (4) (No change.)

f. PROCEDURES

(1) and (2) (No change.)

(3) Upon receipt of a recommendation from a Deputy Director or Head of Career Service or from any other Agency official

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authorized to make recommendations that an employee be separated or on the basis of his own review of a personnel problem situation, the Director of Personnel or his designated representative shall confirm to the employee that he is being considered for separation and shall extend to him an opportunity to submit a written statement or to comment orally within ~~a stipulated period~~ 10 days.

- (4) If the Director of Personnel decides not to recommend termination ... course of action. If the Director of Personnel ... for decision. In this event, the Director of Personnel shall also notify the individual that he may file a written appeal of the termination recommendation with the Director within ~~a stipulated period~~ 10 days.

(5) and (6) (No change.)

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Next 8 Page(s) In Document Exempt

29 October 1970

NOTE FOR: Mr. Coffey

Regarding reference to [] in this []
 OGC has recommended rescission of [] However,
 since it is now on books it should be referenced here.
 Since [] is not issue on this paper but rather selection-
 out, I recommend you sign and send forward. If []
 is rescinded before this is approved, we can delete it
 here before it goes to printer. If [] is rescinded
 afterwards, it can be lined out by instruction sheet with
 rescission of [] Bob Wattles urges this so we can
 get [] to Colonel White promptly.

STAT
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Drop #10450 from reg.

WEB
es

OS + ~~OP~~ agreed

OK initiating rescission action

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70-4531

25 AUG 1970

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Proposed Change to Agency Regulations to Provide
for Selection-Out

1. This memorandum is for your information and suggests a course of action in paragraph five.

2. On 17 July 1970 the Office of General Counsel forwarded to you a 16 July 1970 draft of a proposed change to [] and a 4 June 1970 draft of a new regulation [] as two possible means of incorporating Selection-Out into our regulations. In his covering routing sheet the General Counsel indicated his preference for amending []

3. We agreed with Larry Houston that an amendment to [] was the preferred way to provide for Selection-Out and we subsequently modified his 16 July 1970 draft. Attached is the latest version of an amended [] dated 20 August 1970 in which the General Counsel concurs.

4. Also attached is a copy of a memorandum to me from the Inspector General, dated 13 August 1970, commenting on a draft of an amended []. Although the draft commented upon by the Inspector General was dated 7 August 1970, it is substantially the same as the 20 August version attached. You will note that the Inspector General strongly prefers the issuance of a separate regulation on Selection-Out.

5. Larry Houston and I believe you may want to review these papers and then call the principals together for further discussion with you.

[]
Robert S. Wattles
Director of Personnel

Atts

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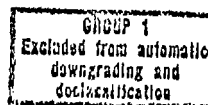
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PERSONNEL

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- 25X1
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- b. STATUTORY AUTHORITY OF THE DIRECTOR OF CENTRAL INTELLIGENCE. (No change)
- c. POLICY. (No change)
- d. RESPONSIBILITIES (No change)
- e. CRITERIA
- (1) WORK AND EFFICIENCY. (No change)
 - (2) THE FIRST-YEAR TRIAL PERIOD. (No change)
 - (3) THE THREE-YEAR PROVISIONAL PERIOD. (No change)

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NEW

(4) SELECTION OUT. It is the policy of the Agency to improve the over-all level of employee performance by terminating, if necessary, the employment of those employees whose value to the Agency, based on the quality of performance of duties, the nature of service, and the qualifications and potential of the employee, is low in comparison with that of other employees of the same grade and occupational category. Deputy Directors and Heads of Career Services are responsible for identifying such employees and recommending their separation from that Career Service and possibly the Agency to the Director of Personnel, even though the records of such employees do not necessarily warrant their separation under the other criteria specified in subparagraph e.

formerly (4) (5) SECURITY AND MEDICAL STANDARDS. (No change)

formerly (5) (6) STANDARDS OF CONDUCT. (No change)

formerly (6) (7) OTHER. In addition to (1) through ~~(5)~~ (6) . . . of the Agency.

f. PROCEDURES

(1) and (2) (No change)

(3) Upon receipt of a recommendation from a Deputy Director or Head of Career Service or from any other Agency official authorized to make recommendations that an employee be separated or on the basis of his own review of a personnel problem situation, the Director of Personnel or his designated representative

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PERSONNEL

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NEW

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PERSONNEL



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shall confirm to the employee that he is being considered for separation and shall extend to him an opportunity to submit a written statement or to comment orally ~~within a stipulated~~ period within 10 days.

- (4) If the Director of Personnel decides not to recommend termination . . . course of action. If the Director of Personnel . . . for decision. In this event, the Director of Personnel shall also notify the individual that he may file a written appeal of the termination recommendation with the Director ~~within a~~ stipulated period within 10 days.
- (5) and (6) (No change)

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13 August 1970

MEMORANDUM FOR: Director of Personnel

SUBJECT : Proposed Changes for []
(7 Aug 70 suggested change)

25X

1. I feel very strongly that we should issue a separate regulation on selection-out. The reason for this is that we must set this action apart from those actions taken to separate people who fail to meet Agency standards of conduct, security, or performance. I have in mind particularly the impact of the regulation on those people who are, say, in grade 15 and have served 20-25 years in intelligence. We are simply creating problems for ourselves if we seemingly put these people in the same category with the failures.

2. The wording of the last part of your paragraph on selection-out points up what I mean:

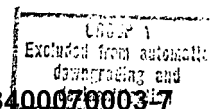
"...Heads of Career Services are responsible for identifying such employees and recommending their removal to the Director of Personnel, even though the records of such employees do not necessarily warrant their separation under the other criteria specified in subparagraph e."

The "even though" and "not necessarily" will be read as gratuitous slurs by people affected by this program.

3. Perhaps a basic confusion has developed in the minds of those people who are working on regulations and procedures in connection with selection-out. The selection-out process has as its purpose the elimination of those people who in our belief are least well equipped to meet the needs of the Agency at present and in the future. It is not a selection of people who have failed to meet Agency standards to such a degree as to warrant separation. [] provides for the separation of such people. The confusion that has gotten into people's minds seems to arise from the fact that in judging a man's usefulness at present and

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in the future we naturally consult the record. Thus we would appear to be basing our action on past performance. This is not the case. We are basing our action on what the record and other evidence lead us to conclude concerning present and future usefulness, a subtle but important difference.

4. Finally, having consulted the record, ranked the individual, and concluded that he should go, I think we should stop talking about the record because to do so implies that our action is based on past performance and not on the individual's presumed usefulness at present and in the future. I would leave out the phrases "quality of performance of duties" and "nature of service" and hang the whole case on qualifications and potential. You will appreciate that these changes are proposed not simply because of the psychological impact of the regulation, but also because they have a very important bearing on the way we will handle appeals within the Agency.

/s/ Gordon M. Stewart

Gordon M. Stewart
Inspector General

cc: General Counsel
C/OPSER (via DDP)

- 2 -

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DRAFT

16 July 1970

Proposed Changes for

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1. The following would be inserted as sentence 2 in paragraph a.: "This paragraph includes cases arising from the Agency policy of improving the overall level of employee performance by terminating the employment of those employees whose value to the Agency, based on the quality of performance of duties, the nature of service, and the qualifications and potential of the employee, is low in comparison with that of other employees of the same grade and duties but whose records do not warrant their separation under the criteria established in subparagraph e. (1) through (5), hereof."

2. The last sentence of paragraph a. would be modified slightly: "It also includes, but is not"

3. It would be appropriate also to substitute for the words "within a stipulated period," in paragraphs f. (3) and f. (4), the words "within 10 days." This would parallel the similar provisions of

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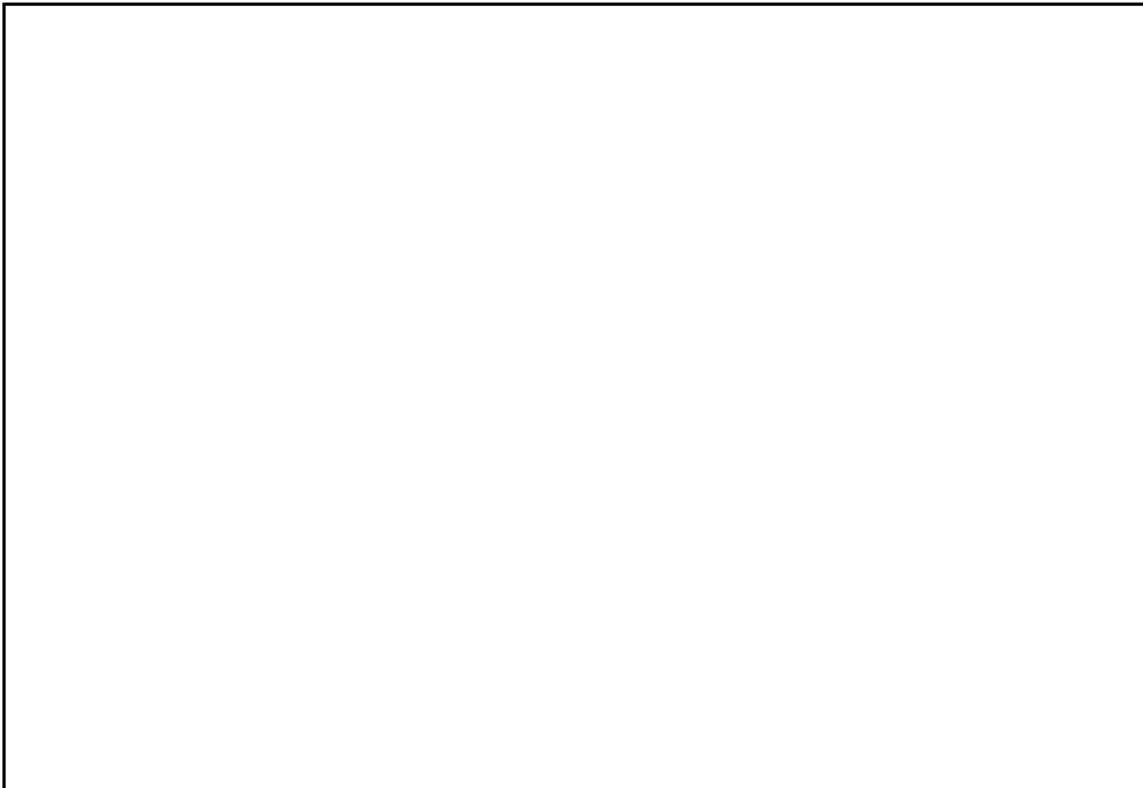
DRAFT
RHLansdale
4 June 1970

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[REDACTED]

007. SELECTION OUT

a. POLICY. It is the policy of this Agency to raise the overall performance level of the personnel of the Agency and its components. One means of implementing this policy is to terminate the employment of those employees whose performance is low in comparison with that of other employees of the same grade and duties, but whose records do not warrant their separation under the criteria established by subparagraphs (e) (1) through (5) of [REDACTED]



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16 July 1970
page 3

c. PROCEDURE AND ADMINISTRATION

(1) A Deputy Director or Head of an Independent Office, at such times as he may deem appropriate, may determine the relative ranking of all of the employees of his component or of the employees of any unit of his component or of any category of employees in his component or in any unit of it. In making his determinations, he shall take into consideration the employees' performance, nature of service, qualifications, and potential. In such determinations, employees shall be ranked only with employees of the same grade and generally similar duties.

(2) The Deputy Director or Head of Independent Office, either before or after he has made such rankings, may determine the relative rankings, the incumbents of which he will request the Director of Personnel to remove from his component (hereinafter referred to as a "low relative ranking"). Whenever an employee is given a low relative ranking, the Deputy Director or Head of an Independent Office shall so inform the employee, in writing.

(3) The Deputy Director or Head of an Independent Office shall forward any such determination of a low relative ranking to the Director of Personnel who shall inform the employee, in writing, or his right to submit, within 10 days, a request.

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4 June 1970
page 4

to be heard orally by an appropriate officer of the Office of Personnel or to state, in writing, to the Director of Personnel why his low relative ranking should be modified and why he should not be removed from his Directorate or office, and to provide any other information he deems relevant. After appropriate review, including consideration of any statements or any information provided by the employee, the Director of Personnel may request the Deputy Director or Head of an Independent Office to reconsider the low ranking and request for removal. The Director of Personnel shall also take such action as he deems appropriate to assign the employee elsewhere in the Agency.

(4) If the Director of Personnel does not assign the employee elsewhere and the Deputy Director or Head of an Independent Office does not withdraw his request for removal of the employee, the Director of Personnel shall recommend to the Director of Central Intelligence that the Director of Central Intelligence terminate the employment of the employee under section 102(c) of the National Security Act of 1947, as amended, and establish the effective date of such termination. The Director of Personnel shall notify the employee, in writing, of this action and of the

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4 June 1970

page 5

employee's right to present, through the Director of Personnel, to the Director of Central Intelligence, within 10 days, any information, in writing, concerning why his employment should not be terminated and any other information he deems relevant.

(5) Upon receipt of such recommendation, the Director of Central Intelligence may take one or more of the following actions:

(a) Refer the recommendation to the Inspector General, who shall consider it and forward his own recommendation to the Director of Central Intelligence.

(b) Terminate the employment pursuant to section 102(c) of the National Security Act of 1947, as amended, and establish the effective date of such termination.

Such effective date shall be not less than 30 days after the Director of Central Intelligence has taken action to terminate his employment.

(c) Disapprove in whole or in part the recommendation of the Director of Personnel.

(6) The Director of Personnel shall notify the employee, in writing of the decision of the Director of Central Intelligence.

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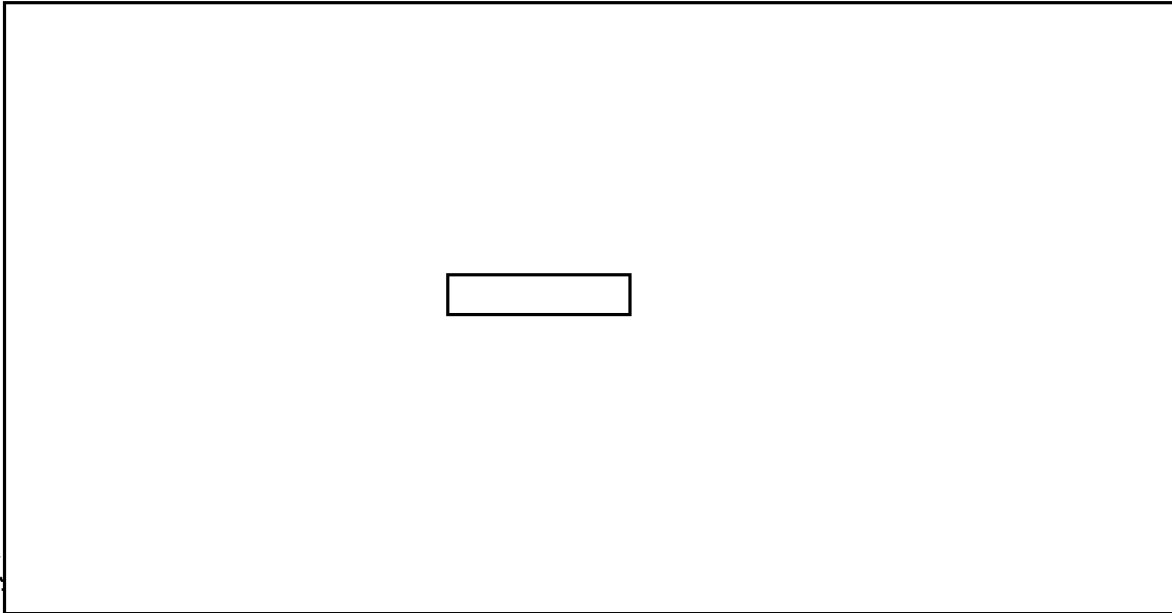
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OGC

4 June 1970

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15 September 1970

Mr. Coffey via

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Yesterday afternoon we received from OLC copies of the House and Senate Committee reports on the proposed Equal Employment Opportunities Enforcement Act of 1970. Both Committees reported favorably and expects that an effort will be made to push this through during the current session.

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To avoid delay, I have forwarded both reports to Director of Personnel without attempting to study them myself. has been notified.

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ACTION		DIRECT REPLY		PREPARE REPLY	
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COMMENT		FILE		RETURN	
CONCURRENCE		INFORMATION		SIGNATURE	
<p>Remarks: The attached entails reported out legis- lation which may have an adverse impact upon the Agency. We will be looking into prospects for passage and will be interested in any information you might have on CSC's plans, which along with the Administration strongly opposed the change affecting Federal employees.</p> <p>Copies have also been sent to Mrs. Ruth and General Counsel</p>					
FOLD HERE TO RETURN TO SENDER					
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FORM NO.
1-67

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FILE

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2 JUL 1970

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Proposed Change to Agency Regulations to Provide
for Selection-Out

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25X
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3. We agreed with Larry Houston that an amendment to [] was the preferred way to provide for Selection-Out and we subsequently modified his 16 July 1970 draft. Attached is the latest version of an amended [] dated 20 August 1970 in which the General Counsel concurs.

25X

4. Also attached is a copy of a memorandum to me from the Inspector General, dated 13 August 1970, commenting on a draft of an amended []. Although the draft commented upon by the Inspector General was dated 7 August 1970, it is substantially the same as the 20 August version attached. You will note that the Inspector General strongly prefers the issuance of a separate regulation on Selection-Out.

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Robert S. Wattles
Director of Personnel

Atts

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- b. STATUTORY AUTHORITY OF THE DIRECTOR OF CENTRAL INTELLIGENCE. (No change)
- c. POLICY. (No change)
- d. RESPONSIBILITIES (No change)
- e. CRITERIA
- (1) WORK AND EFFICIENCY. (No change)
 - (2) THE FIRST-YEAR TRIAL PERIOD. (No change)
 - (3) THE THREE-YEAR PROVISIONAL PERIOD. (No change)

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NEW

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13 August 1970

MEMORANDUM FOR: Director of Personnel

SUBJECT : Proposed Changes for [REDACTED]
(7 Aug 70 suggested change)

25X1

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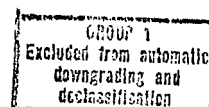
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Gordon M. Stewart
Inspector General

25X1

cc: General Counsel
C/OPSER (via DDP)

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